

have to do to preserve our leadership role in the world," we can do these things.

Just one last issue that I'm very concerned about, and that is—and as I look around this room—I'm proud of this room for many reasons, but I think the fact that we are becoming the world's most diverse democracy, in terms of race and ethnicity and religion, is a huge asset in a world that's getting smaller and smaller and smaller. And having worked in Bosnia, Northern Ireland, the Middle East, and in the Aegean, I am mindful of the fact that racial and ethnic conflicts are difficult and thorny things. Having pleaded with my friends in Pakistan and India to try to resolve their difficulties—I'm glad to see them talking now—I'm mindful to the fact that these are difficult things.

But we should be able to see, both from the heartbreak of other countries in the world and from the enormous opportunities we are creating for ourselves, that if we can find a way to respect our differences and be bound closely together by our shared values, it is, I think, very likely that the United States in the next 50 years—even though we will be a smaller percentage of the world's population and a smaller percentage of its overall economy, I think it is very likely that we will have even more positive influence in the next 50 years that we did in the last 50 years.

But the number one question that will determine that—mark my words—is not an economic question or a Government budget question, it is whether we can learn to live together across the lines that divide us. That is the single most significant thing, in my judgment, along with whether we are willing to exercise our leadership in the world, that will determine the shape of the next 50 years. So I intend to work hard on the that, and I want you to help me.

The last thing I would like to say is that—again, regarding your presence here tonight—what you have done is to invest in the work of America. The purpose of political parties, in my judgment, is not only to win elections but to give people a forum within which they can become organized to express their views and to have people who represent their views act in the public interest. Because you are here, because you have supported us, because we won the last election, because

we are moving forward, this country is a better place. And you made a contribution to that. You continue to do it. And I hope tonight when you go home, you will be very proud of it.

Thank you, and God bless you.

NOTE: The President spoke at 8 p.m. in the Colonial Room at the Mayflower Hotel. In his remarks, he referred to dinner cochairs, C. Thomas Hendrickson, chair, Democratic Business Council, and Cynthia Friedman, chair, Women's Leadership Forum; Alan D. Solomont, national finance chair, and Steve Grossman, national chair, Democratic National Committee.

Remarks at a Democratic National Committee Dinner

May 19, 1997

Thank you very much. Thank you, ladies and gentlemen. And thank you, Steve, for that very eloquent introduction. I almost wish you'd just stay up here and give the rest of the speech. It was beautiful.

Ladies and gentlemen, thank you for being here tonight. I will be quite brief because I want us to have a chance just to sit around the table and visit, but I thought it might be helpful for me to just say a few things that everyone would hear, and it might inform our discussions going forward.

The first thing I want to say is that your country is moving in the right direction, and we should be glad of that. When I came here after the 1992 election, I had a simple strategic notion of what I wanted to do to prepare America for the new century. I wanted to change the economic policy of the country to create opportunity for everybody who was willing to work for it and get away from the endless deficits and go back to reducing the deficit, increasing investment in education and research and technology and the things we needed more of and expanding trade.

I wanted to change the social policy of this country in ways that would bring us together instead of driving us apart, focusing on bringing the crime rate down, reducing the welfare rolls, putting family at the center of social policy and helping people juggle family and work, and bringing us together across

the racial and religious and other differences that we have in this country.

And the third thing I wanted to do was to chart a course that would keep America's leadership in the world alive and well for peace and freedom and prosperity.

Now, we have pursued that for 4 years now. And I believe the wisdom of the economic course, the course on crime, the course on welfare, the course of our leadership in the world is no longer open to serious debate. We have the lowest unemployment rate in 24 years, the lowest inflation rate in 30 years, the highest business investment rate in 35 years. We have the smallest Government in 35 years, and as a percentage of the civilian work force, the Federal Government is the smallest it's been since 1933, when Franklin Roosevelt took office before the New Deal.

But we continue to invest more in education, more in science, more in technology, more in environmental protection, more in children. We're moving in the right direction. The welfare rolls have seen their biggest drop in 50 years. The crime rate has gone down 5 years in a row. We are moving in the right direction. The country has plainly done a great deal to expand trade and to promote democracy and freedom and peace throughout the world. I'm proud of that.

Just in the last 4½ months, we've seen the Chemical Weapons Treaty. We now have an agreement between NATO and Russia to try to work together for a democratic, undivided Europe. We had a telecommunications trade agreement which will open 90 percent of the world's markets to America's telecommunication services and products and will create hundreds of thousands of high-wage jobs in this country.

We had a summit of service in Philadelphia in which all the former Presidents and I and General Powell challenged every community in America and every citizen in America to give every child in America a good education, a safe place to grow up, a healthy start, a mentor, an adult role model, and the chance to serve for themselves. And I think we have a chance to make that work in a profoundly positive way.

And of course, finally, we got this great budget deal. The budget deal, in brief, would

provide that the budget would be balanced in 5 years. It contains the largest increase in educational investment since the sixties and the biggest expansion of higher education opportunities since the GI bill in 1945. It would insure half—5 million of the 10 million kids in this country who are in working families who don't have access to health insurance. It would restore virtually all of the cuts made—wrongly, I think—by the Congress last year in aid to legal immigrants who come here and, through no fault of their own, have misfortunes. It would provide funds to clean up 500 of the worst toxic waste dumps in the country and to do other important environmental projects, including preserving the Florida Everglades, which is a profoundly important endeavor for the United States. It contains, in short, 99 percent of the investments I recommended myself in the budget I sent to the Congress and is better—better now than the one we started with for poor children.

It also contains—as it had to if we were going to have any kind of agreement—a provision for tax cuts that include some things that we wanted, like a tax cut for children and working families to pay for child care and other costs, and a tax credit and a tax deduction for the cost of education after high school, which I believe will make it possible for us to say we're making 2 years of college as universal as high school is today. And it contains some form of capital gains tax relief, some form of estate tax relief, which were the things that the Republicans cared about.

But we also will not refight 1995 because they have pledged not to try to reduce the earned-income tax credit—which is tax benefit that low-income working people get—not to try to repeat the low-income housing tax credit, and not to raid workers' pension funds to pay for any of these tax programs.

This is a good deal. It's a good thing for Democrats. It's a good thing for Republicans. But most importantly, it's a good thing for America. It will keep interest rates down and growth going in a way that also will promote long-term growth.

So I am very happy about it. I hope you're very happy about it. And I hope Congress will be happy enough about it to pass it quickly.

Thank you very much.

NOTE: The President spoke at 8:23 p.m. in the East Room at the Mayflower Hotel.

Proclamation 7004—World Trade Week, 1997

May 19, 1997

*By the President of the United States
of America*

A Proclamation

Two statistics sum up both the challenge and the promise of today's dynamic global economy: 95 percent of the world's consumers live outside the United States, and U.S. exports generated more than \$830 billion in sales in 1996. The theme of this year's World Trade Week, "Make Locally, Sell Globally," exhorts American businesses to take advantage of the enormous commercial potential of the international marketplace, and we are poised to do so.

Over the past 4 years, trade has spurred more than a quarter of our overall domestic economic growth. During this period, the United States under the leadership of the Office of the U.S. Trade Representative signed more than 200 new trade agreements and is once again the world's leading exporter. In recent months, we have concluded historic agreements in the World Trade Organization that opened up the world telecommunications services market to U.S. firms. We also have negotiated a pact that will eliminate tariffs on information technology products by the year 2000. Together, these agreements offer American business better access to markets representing more than \$1 trillion in goods and services and are models for further market-opening initiatives.

The North America Free Trade Agreement (NAFTA) has not only increased trade with our member partners to a level of \$425 billion annually, but also has provided greater stability to the global economy. We are committed to building on this success by achieving a Free Trade Area of the Americas, and we look toward a comprehensive trade agreement with Chile as the next concrete step in this direction.

Selling globally also requires vigorous trade enforcement efforts, such as those we initiated recently by improving the protection of intellectual property rights in China and some 20 other countries around the world. Our ongoing efforts to eliminate trade barriers in Asia have already paid dividends—for example, U.S. exports to Japan have grown by more than 40 percent since 1993. We will also continue to strictly enforce existing trade laws to ensure that imported goods in U.S. markets do not enjoy an unfair advantage over those produced by U.S. companies and workers.

We are committed to helping all U.S. businesses continue to succeed—not only by opening markets, but also by assisting U.S. exporters. My Administration, through the efforts of the Trade Promotion Coordinating Committee, has developed a National Export Strategy to help small- and medium-size companies sell globally to realize their export potential. Our nationwide network of U.S. Export Assistance Centers combines under one roof the services of the Department of Commerce, the Small Business Administration, the U.S. Export-Import Bank, and other agencies to improve business access to trade information and financing. Over the past 4 years, this network has more than doubled the amount of export sales it facilitates. Our finance agencies, the U.S. Export-Import Bank, the Overseas Private Investment Corporation, and the Trade and Development Agency, also help American businesses compete on a level playing field in this increasingly competitive world economy.

We can be proud of this record of achievement, but we must build on it. Fair trade and open markets create stable economies in which democracy can take root and flourish. The United States alone has the legacy, the resources, and the responsibility to lead the world in this endeavor, and we must continue to do so.

As we observe World Trade Week, 1997, I am confident that, working together, we can sustain America's leadership in the global economy, generate millions of new jobs, and improve the quality of life for all our people.

Now, Therefore, I, William J. Clinton, President of the United States of America, by virtue of the authority vested in me by